H2onsite

Decentralized Hydrogen Generation Systems

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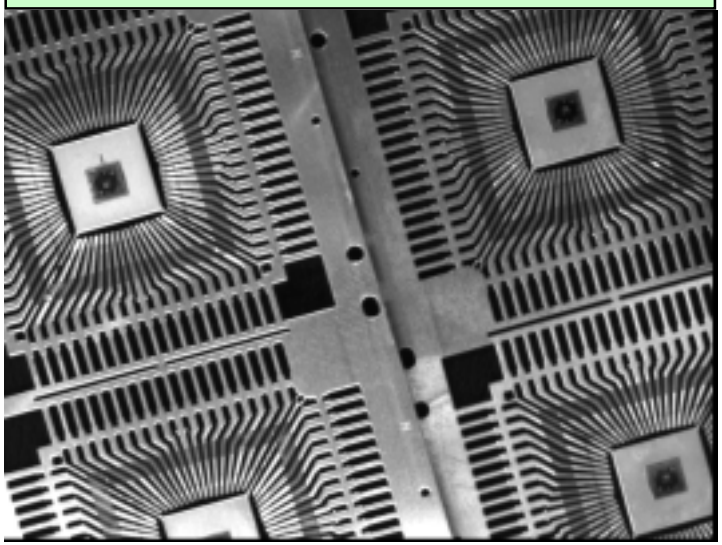
H_2onsite Business Overview

- Innovative hydrogen generation technology developed by Lawrence Livermore Lab
  - high purity
  - low cost
  - patented

- Replace electrolysis and truck delivered hydrogen
  - Small to medium industrial users
  - Focus on electronics short term
  - Fuel cells long term

Worldwide Markets

Industrial H_2



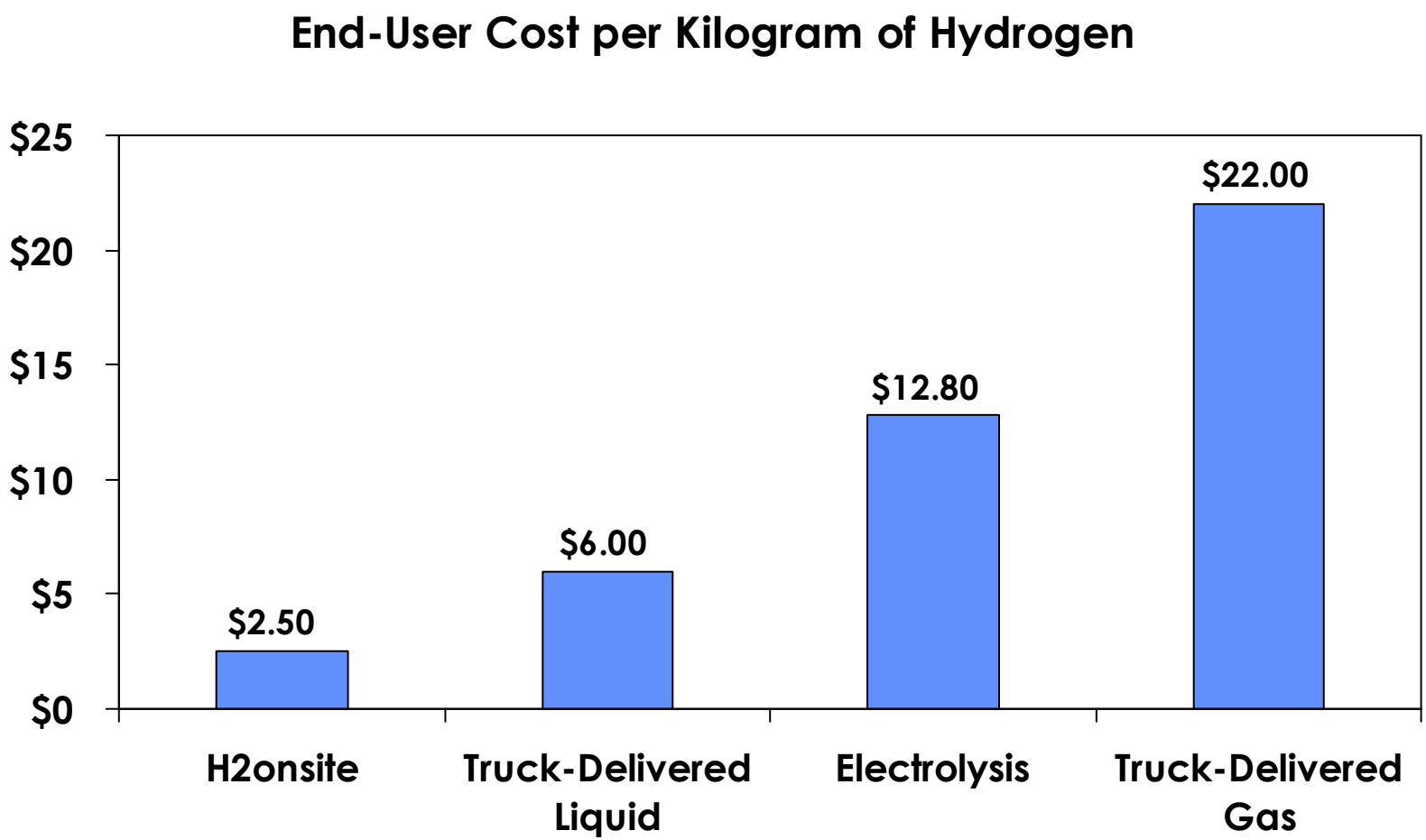
- $1.4B delivered by truck in 2003
- 8% annual growth
- Electronics is growing faster

Vehicles

- $4B in 2010
- $100B in 2020
- 30 European demonstration projects 2003-2004

Sources: SRI, DOE, Southern California Air Quality Management District, Freedonia

Cost of Existing Solutions



Distributed Reforming is the Competition

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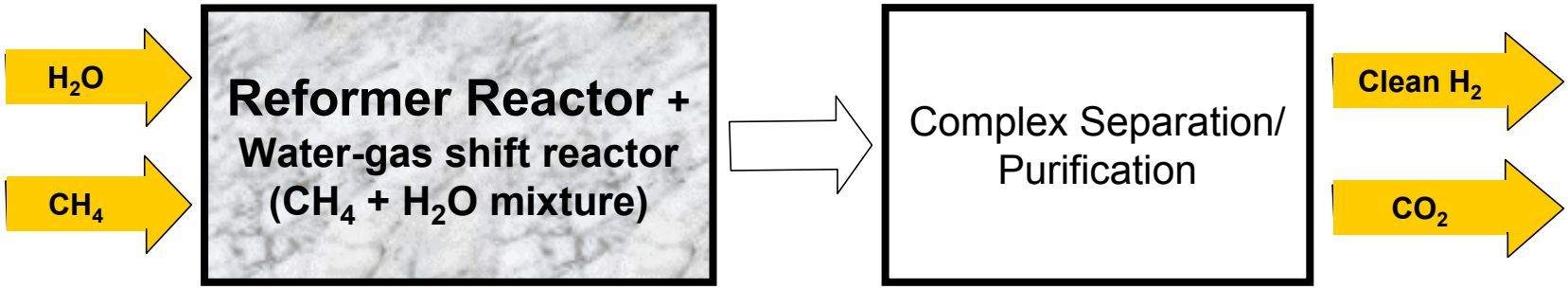
- Higher purity
- Output at 350 psi vs low pressure
- Lower capital costs and scales easily
- Similar/lower operating costs

Reformer Competitors

H2Gen	Mesofuel
Hyradix	Praxair
Idatech	Ztek
HydrogenSource	

Technology Comparison

Reformers



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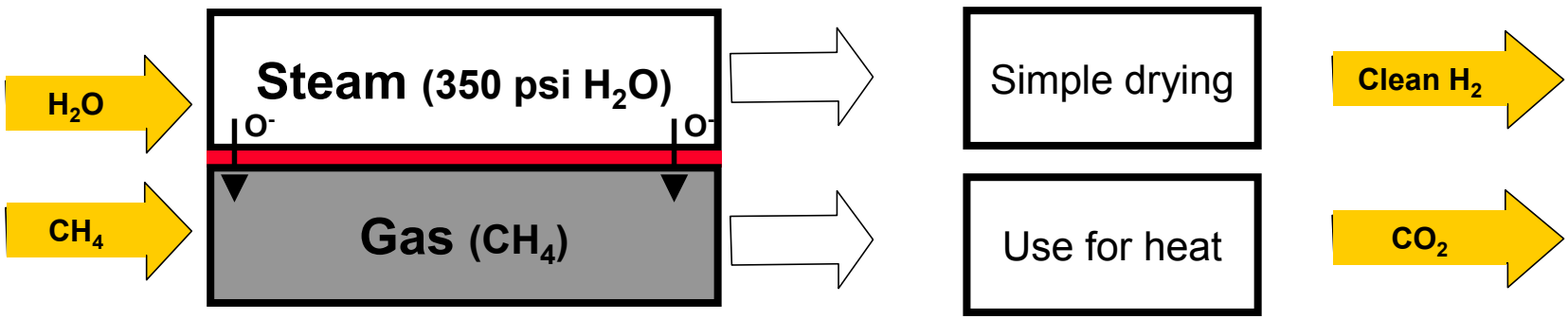

Summary

- Breakthrough technology changes the economics of the hydrogen business
  - Have working unit
  - Proprietary technology provides barrier to entry
- Large existing market with huge upside
- The management team is complete and beta customers have been identified